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Sc-15649

NSC BRIEFING

28 October 1954

SITUATION IN SOUTH VIETNAM

- I. General Hinh appears willing to accept uneasy, superficial, probably shortlived truce with government.
 - A. Expressed basic feeling in telling General O'Daniel if US aid cut off one day he would sieze Diem next day and set up military government.
 - B. But finally agreed to exhort army to support "present government" - without reference to Diem.
 - C. Said he would like Diem accompany him on inspection tour.
 - D. Willing to request leave "after political situation clarified."
 - E. These concessions accompanied by long diatribe against Diem and self-righteous portrayal of own role.

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- F. Hinh's record with previous government as well as present offers no hope any real modus vivendi in sight.
- G. Bay Vien, Binh Xuyen chief, has yet to make even superficial peace offer.
- II. French still hold key to situation.
 - A. They control city of Saigon. *13,000 French*
 - B. They can keep Hinh under wraps *Damer*
Tranhu through control of troop pay and supply.

C. Question is, will they?

III. French greatly upset by news of US "crash program."

- A. La Chambre, in Paris, says charge French have not given all-out support Diem is slur on French honor.
- B. But only last week French deputy commissioner general indicated agreement support Diem only made in defer-

ence American pressure

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- C. Made it obvious he shared view best French bet was try hold Cochinchina as disguised protectorate.
- D. La Chambre sees US proposal to give direct aid to Vietnam before crisis solved as violation of Washington agreement.
- E. Said unilateral US action risked breaking Franco-American teamwork but "we prefer to lose in Vietnam with US rather than to win without them."
- F. La Chambre said Diem and Dinh reconciliation must be sought but premier should not be authorized to fire Dinh.
- G. Stressed urgent need of "efficient" government and cited as likely participants:
 - 1.) Buu Hoi, whose "leftist tendencies" worried him.

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2.) Tam, whose pro-French reputation he conceded.

3.) Bay Vien, who "apparently showing signs of wanting to reform."

H. Earlier, Mendes-France brought up idea of sending "viceroy" to Vietnam who "would have no power to interfere in government."

1.) Only likely candidates are Buu Hoi and Buu Loc, both active in intrigues against Diem.

IV. At least French and US agree that present situation made to order for Viet Minh.

A. La Chambre said all but major population centers slipping into Viet Minh hands.

B. Our army attache' estimates that under present trend by late 1955 Viet Minh will dominate coalition government or have completely taken over all but cities.

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C. Fighting this week near Cambodian
border between Cao Dai and Hoa Hao
(several hundred involved) evidence
of growing anarchy.

V Declaration of Phil +
Administration Committee
of Hanoi - Do not
recognize the American
Committee
